



For Immediate Release
March 6, 2009

Contact: Larry Farnsworth
(202) 232-6574
lfarnsworth@crosbyvolmer.com

Statement by Terrence Scanlon, president of Capital Research Center, concerning a report “Criteria for Philanthropy At Its Best,” issued by the National Center for Responsive Philanthropy.

A newly released report from the National Committee for Responsive Philanthropy (NCRP) signals the latest step in a continuing war on donors being waged by nonprofit radical advocacy groups with a leftwing political agenda. These groups, representing political activists and special interests, have developed a social theory to justify the claims they make on philanthropists’ money. According to them, philanthropy betrays its highest ideals unless it gives them grants.

The NCRP report, issued on March 3, is called “Criteria for Philanthropy at Its Best.” It is a series of pure assertions: The “best” or “exemplary” philanthropy is said to benefit “marginalized” communities of economically and socially “underserved” Americans. These consist of low-income persons and “communities of color” as well as “special population groups” identified by sexual orientation, immigrant status and social class. The best grantmaker, the report states, will give at least 50 percent of its contributions to nonprofits benefiting these particular groups.

However, it is not enough simply to provide help and direct services to the poor and minorities. That kind of “patronage” charity is “safe.” Instead, the best philanthropy funds “advocacy” and “community organizing” groups. These types of organizations “contextualize” the issues of race, gender and class, and they work for social and policy changes to overcome the “structural barriers” to equality. These groups use “strategies” that include mobilizing masses, organizing coalitions, and confronting elites through protests and “voter engagement,” litigation, lobbying, policy analysis and public education. The best grantmaker, the report states, will give at least 25 percent of its contributions to nonprofits engaged in such advocacy work.

Of course, radical activist groups have every right to engage in fundraising, but this report puts a gloss of philanthropy over it. Donors shouldn’t be fooled, nor should lawmakers.

Unfortunately, the NCRP report is part of a larger political campaign. It began in California last June when the Greenlining Institute tried to pressure the state’s largest foundations to accept similar grant-making criteria. The Greenlining Institute argued that a private foundation’s tax-exempt status made its grants subject to public oversight, and it worked with a member of the California State Assembly to introduce legislation that would turn Greenlining’s funding criteria into legal mandates. Fortunately, the legislation (AB624) was withdrawn, but not before many large foundations made vague promises to abide by Greenlining’s intentions rather than those of their own donors. Capital Research Center examined the arguments and outcomes of the

Greenlining proposal in the July issue of its publication *Foundation Watch*.
<http://www.capitalresearch.org/pubs/pdf/v1215095087.pdf>

Contrary to the NCRP report, the best kind of American philanthropy benefits mankind in ways that transcend political and social agitation. The philanthropic community should guard against suggestions that it is obligated to give funding priority to leftist advocacy groups.

#

For more information about the Capital Research Center or to schedule an interview with the author, please contact Larry Farnsworth of Crosby-Volmer International Communications at (202) 232-6574 or via e-mail at lfarnsworth@crosbyvolmer.com.

About CRC: Capital Research Center is a non-profit public policy research organization based in Washington, DC and established in 1984 to study critical issues in philanthropy with a special focus on non-profit "public interest" and advocacy groups, the funding which sustains them, their agendas and their impact on public policy and society.

###